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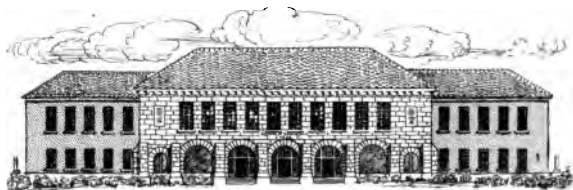
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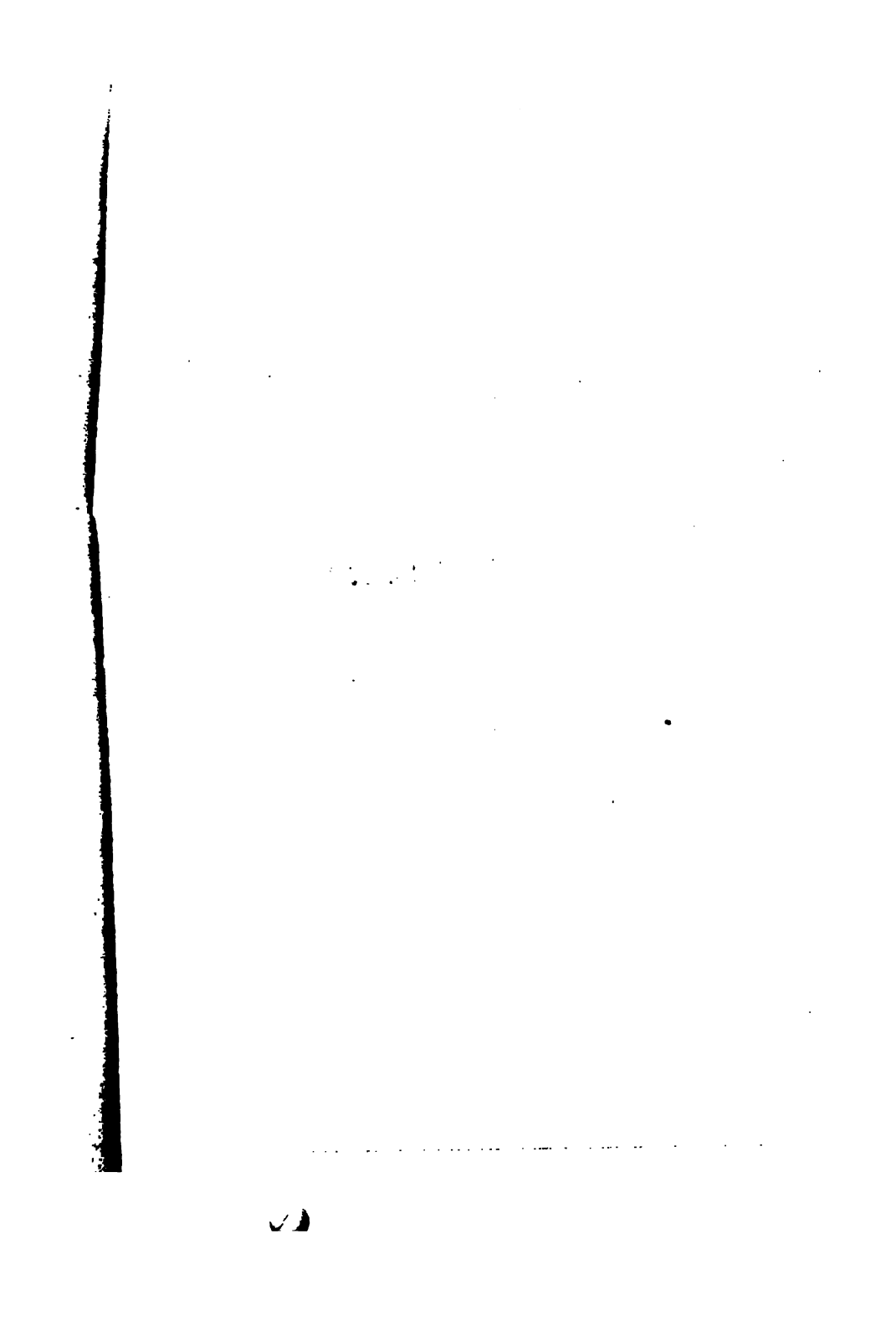
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TEACHERS' MANUAL

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ECONOMICS

AND

INDUSTRIAL HISTORY

FOR SECONDARY SCHOOLS

BY

HENRY W. THURSTON

HEAD OF THE DEPARTMENT OF SOCIAL AND ECONOMIC SCIENCE IN THE CHICAGO  
NORMAL SCHOOL

CHICAGO

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## PREFACE

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It has seemed advisable to make some suggestions respecting the exercises of Part I of the text-book now under consideration, because progress in each exercise depends somewhat upon the student's grasp of the author's meaning in the preceding exercises, and much of this meaning has not been revealed in the text itself. It, therefore, rests with the teacher to make sure that his students are steadily progressing over what may sometimes seem to them to be uncertain ground. It is not intended, nor is it possible, that these suggestions should take the place of the teacher's initiative in assigning work for his pupils, but rather that they may be aids to definiteness and continuity of execution both of his own and of the author's plans. In general, they have taken one of three forms: (*a*) explanation of the author's purpose in assigning a given exercise; (*b*) definitions and references to material that might otherwise be difficult for some teachers to obtain; and (*c*) suggestions of ways to use in class the results of the student's preparation.

The numerous details of observation, classification, and diagram that are suggested may at first sight seem unnecessary to many and may even repel some. It may be urged that high school pupils who have lived all their lives in the midst of the economic phenomena of our present industrial order will waste time if required to make further observation, analysis, and classification of the mere data of economics.

The weight of this objection in relation to a particular class in economics may be determined by attempting the work suggested. If it is found that pupils are alike in the amount,



analysis, and classification of the economic knowledge they already possess, and, furthermore, that this amount includes all the data referred to, this part may wisely be omitted. On the other hand, if the knowledge of one person has little similarity to that of another, and many pupils are found whose knowledge needs to be supplemented and unified, it is hoped that the exercises may be given a thorough trial.

Undoubtedly the experience and environment of many teachers and classes will suggest important changes and substitutions from which both the letter and the spirit of the exercises here presented will ultimately gain much.

It is earnestly recommended that all answers to the questions throughout the book be made in writing.

It may be found wise to assign only a part of the questions of some lessons for one day. The division into lessons should be regarded as topical, not based on the time required for preparation. If the teacher will himself take the pains to write out each lesson just as he expects his students to write it, he will be able to judge wisely as to the time required for any given part of the work.

To complete Part I, the author has found twenty-five recitation periods sufficient by adhering closely to the work as outlined. If the teacher should supplement the text by further exercises such as are therein suggested, or are of his own devising, this time may be greatly extended with profit to the student.

As Part II is in the main an industrial narrative, and Part III more nearly like the ordinary text-book on economics than Part I, it has seemed that in these parts the suggestions inserted in the text itself are in general sufficient.

The system of reference to authorities used in both the text-book and this manual is as follows: In the first reference, the author, publisher, and edition are given; in all following references to the same work only the author is mentioned. The names of authors and publishers again appear in the list of authorities at the end of the text-book.

## PART I

### PURPOSE OF LESSONS I—V

As the fundamental economic process for men in general is the process of getting a living, attention is first called to the occupations of large numbers of people known to members of the class. As mere lists, however, these occupations suggest little. They need to be grouped and classified. After a classification has been adopted, it may be tested by the attempt to bring under the various groups the most diverse occupations known to the students. If the grouping stands this test, it will be found possible by means of it to compare the local community with the United States as a whole. The characteristic occupations of the local community will thus be brought into contrast with the national occupations. In further contrast the occupations of the people of England, of France, of Germany, etc., may be given.<sup>1</sup> From these five lessons, therefore, more precise ideas of some fundamental differences between the economic life of the neighborhood and that of the country as a whole, and between both of these and that of other countries, may be gained.

It will be seen, however, that the classifications of occupations by other countries are not the same as the classification by the United States. Even where the terms used are the same, one country may include certain occupations in that term which another may not. The comparison of occupations of different countries is, therefore, suggestive in a large way rather than minutely accurate.

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<sup>1</sup>Statistics of the occupations of the people in these countries may be found in *The Statesman's Year-Book*, 1897.

## LESSON I

## OBSERVATION OF OCCUPATIONS

After the lists have been handed in to the teacher, the recitation period may be spent by teacher and class together in compiling upon the blackboard or on paper an alphabetic list of five or six occupations for each letter of the alphabet. The occupations may be suggested by different members of the class, and each pupil should make a complete copy for use in Lesson III. The spirit of the method of this book forbids that a learned lecture on the purpose of political economy, and the difference between it and political science and sociology, should be given the first day. The aim has been to assign at once to the pupils something within the range of their experience to observe and to do.

## LESSON II

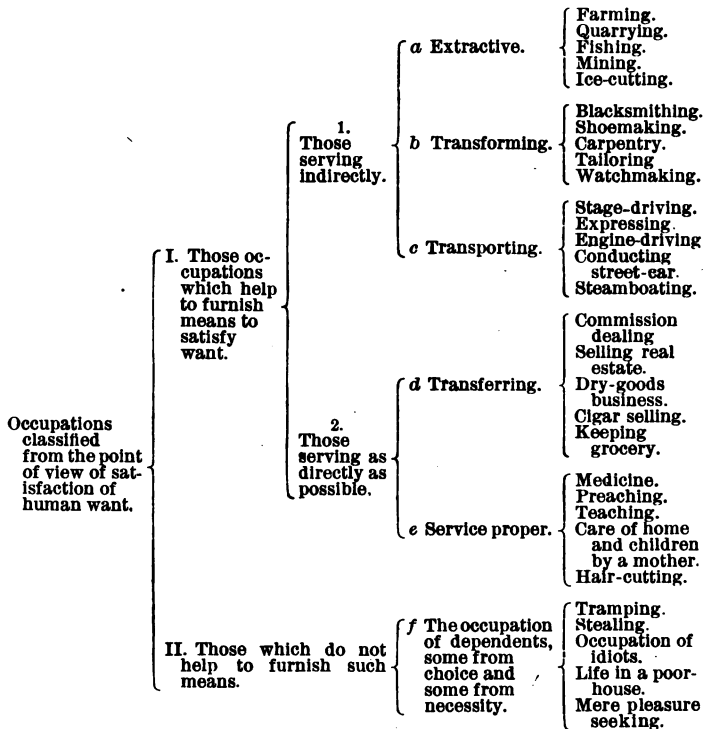
## CLASSIFICATION OF OCCUPATIONS

1. The classifications of different pupils may be written upon the board and criticized by pupils and teacher.

2. If an acceptable grouping is presented, it may be adopted.

3. If no grouping is satisfactory, one may be formed from several that are partly so.

The following classification is suggested, with illustrations taken from the occupations given in Lesson II. It will be noticed that it follows the common classification of economists with the addition of the two classes that are ordinarily called non-producers, namely, servants (in a large sense) and dependents.



[NOTE.—It will be observed that transporters of persons, as distinct from things, satisfy want directly, and therefore deserve a place under the second heading also.

Perhaps all that can be secured the first day is the grouping into the six simple groups, *a*, *b*, *c*, *d*, *e*, and *f*.]

Some teachers may wish to introduce here a lesson in social ethics based on a consideration of those wants of men which are unwise and immoral instead of rational and truly ethical. If such a lesson is given, it should be made clear that the questions asked in the text are based upon the facts of human wants just as they are. All goods which satisfy any actual human wants tend to have an economic value. See note on pages 23, 24, of the text.

## LESSON III

## THE CLASSIFICATION TESTED

1. The occupations which could not be classified by the students may be presented for discussion in class.

2. Other cases of special interest or difficulty may be presented by pupils and teacher.

3. Discussion. Should children and old people be classified from the point of view of the present moment only or in view of their whole lives? Why?

[NOTE.—It will be found that when the persons known to members of the class are presented for classification their activities are often so diverse that they require several groups of occupations to include them all; for example, the maid-of-all-work in a family, a grocer, and the manager of a department store.]

## LESSON IV

## DIAGRAM OF LOCAL OCCUPATIONS

1. Some of the note-books containing diagrams may be called for and criticized for the guidance of the class in further work of a similar nature.

2. Special difficulties of pupils may be presented and discussed.

3. A summary of the total number of occupations looked up by all the members of the class, and a summary of the total number of occupations assigned to each economic group, may be compiled as a basis for another diagram.

4. Statistics from other countries for further diagrams may be presented.

## LESSON V

## LOCAL AND NATIONAL OCCUPATIONS

1. Questions similar to the following may be asked concerning the diagram of local occupations (see frontispiece) compiled from the directory by members of the class:

- a.* Is it accurate?
  - b.* If it is not accurate, what are the causes of inaccuracy?
  - c.* Is there any way for a class to make a diagram more nearly accurate? Explain.
  - d.* Do all the members of the class put the same occupation in the same group? Why?
  - e.* Does the diagram coincide with previous opinions as to ratios of numbers engaged in different groups of occupations? Explain.
  - f.* Reasons for the local peculiarities of occupation?
2. Compare the diagram of local occupations with the diagram of occupations for the whole country.
  - a.* How do the groupings differ?
  - b.* Reasons for dissimilarity in ratios of numbers in the same group to totals in the two diagrams.
  - c.* Other questions of class, or teacher, at will.

## LESSON VI

### STUDY OF ACTUAL BUSINESS

The purpose of this lesson is to study concrete cases of productive enterprises in such a way as to discover:

First, the varying degrees of their complexity.

Second, the existence in connection with each one of them of the landlord function, capitalistic function, undertaking function, ordinary labor function, and social function of a political society.

When this has been done the economic terms, landlord, capitalist, undertaker, wage-worker, political society or state, rent, interest, wages, taxes, etc., come, not as mere words to be remembered, but as convenient names for the realities previously discerned.

1. A diagram, something like the one on page 240 of the text, put upon the blackboard, has been found helpful in

summarizing the answers to some of the questions in the text. It should be put on in blank form, and filled out from data furnished by members of the class.

2. Ascertain if any pupil has a report concerning a business in which one man unites in himself all the functions mentioned at the head of the last four columns. If so, put down the facts in the proper spaces on the first line. If not, put down the facts of the simplest business about which a report is made.

3. Put down in the spaces of the next line the facts concerning the business which is one step more complex than the first.

4. Continue with enterprises of increasing complexity until you get the most complex case any pupil has presented.

[NOTE.—Cases are often presented with all degrees of complexity between farming where one man owns the farm, his buildings, and equipment, and does all his own work, to a manufacturing enterprise where one corporation does business with the equipment of another corporation, in the building of a third corporation, upon land belonging to a fourth corporation.]

5. The fact of the existence of the taxing power in many local political units is the most important fact to be demonstrated by the answers to question 12 of the text. The number of these taxing bodies in many localities is large, and a clear conception of them opens the way to an understanding of the intimate relations between society and the individual man of business.

6. The diagram may be used to show the presence in the various enterprises of all the so-called factors, or requisites, of production—land, labor (both ordinary labor and that of the manager, undertaker, entrepreneur), and capital.

7. The diagram is well adapted to familiarize the class with the names of those shares in distribution, called rent, interest, profits, wages, and taxes, which go to the owners of various factors in production. How the complexity of the problem of

distribution within the business itself varies in different enterprises may also be suggested by showing the great variety in the number of persons connected with different enterprises.

8. If the diagram is kept in a note-book, it will be found useful for reference when Part III is reached.

[NOTE.—It may be best to sum up a part of the facts of this diagram at once in some such formula as that found on page 26 of the text, omitting the word “utility”; for example:

Society + man + capital + land = potatoes, wheat, lumber, ploughs, education, music, art, preaching, etc.

The teacher should consult Part III, Chapters II and III, for discussion of taxes, rent, interest, profits, and wages in connection with this formula.]

## LESSON VII

### FORMS OF BUSINESS

Discussion and illustration of the given types of business organization until the general form and purpose of each is understood by the members of the class.

Any teacher who has attempted work of the kind proposed in these lessons has found out how much his success depends upon his own fulness of information and poise in the recitation period. Thorough preparation on his part, as well as on the part of the student, is necessary to make the work succeed. The greatest care should be taken to formulate the best possible definitions of all important new words. For this purpose, modern encyclopedias, the best dictionaries, modern textbooks on economics and political science, and the revised statutes of the state, should be freely consulted. As some dictionaries do not give definitions of all the words mentioned, the following may be of use:



"*Coöperation* contemplates that the operations of industry shall be carried on by groups voluntarily associated and working under managers elected by the members of the respective groups, each of these groups dividing between its own members the entire profits realized."<sup>1</sup>

"Under the method of *profit-sharing* no attempt is made to secure for the workmen the control of the business; the power of the employer is to remain paramount, but he is to give to his employees, in addition to their wages, and as the further remuneration of the labor performed by them, a share in his profits."<sup>2</sup>

"The word *trust* was first used to mean an agreement between many stockholders in many corporations to place all their stock in the hands of trustees, and to receive therefor trust certificates from the trustees. The trustees own the stock, vote it, elect the officers of the various corporations, control the business, receive all the dividends on the stock, and use all these dividends to pay dividends on the trust certificates. These trustees are periodically elected by the trust-certificate holders. The purpose of the trust is to control prices, prevent competition, and cheapen the cost of production."<sup>3</sup>

"In its later use the term *trust* has acquired a broader and more general significance than that given above. It is used to designate any corporation, association, or other combination, the object of which is to create a monopoly, either complete or partial, with a view to increasing prices by suppressing competition and obtaining control of the market."<sup>4</sup>

In respect to *partnerships*, *corporations*, and *stock-companies* it should be clear that there are partnerships that are

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<sup>1</sup>Schloss, *Methods of Industrial Remuneration*, p. 339—3d ed., 1898, Williams & Norgate, Oxford.

<sup>2</sup>Schloss, pp. 239, 240.

<sup>3</sup>Quoted by Beach, *Monopolies and Industrial Trusts*, pp. 3, 4—1898, Central Law Journal Co., St. Louis.

<sup>4</sup>Beach, p. 4.

not corporations, and corporations that are not stock-companies, but that the converse statements are not true.

## LESSON VIII

### UTILITY DEFINED

1. A sufficient number of pupils may be called upon to give **their descriptions** of typical daily tasks to get an interesting **variety** before the class.

2. Each one may then be called upon to give oral answers to questions 2-6 of the text.

3. The most general class discussion possible is desirable. It can be stimulated by presenting interesting cases which seem exceptions to the general rule. Can these cases all be harmonized and unified?

4. What name can be given to the result of each successful worker's activity? Give several synonyms. Is it matter, or a quality of matter?

5. Make a definition<sup>1</sup> of the word you choose as the best one.

## LESSON IX

### FORMS OF UTILITY

The part of the subject suggested by questions 3 and 4 of the text is capable of interesting concrete illustration. Class visits to one or two large business enterprises, at just this time, often fix the idea of division of labor, show the degree to which it is carried, and also aid greatly toward a realization of the importance of machinery and management in modern

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<sup>1</sup>"Want-satisfying quality" is a good working definition. "By utility is meant that property in any object whereby it tends to produce benefit, advantage, pleasure, good, or happiness, or to prevent the happening of mischief, pain, evil, or unhappiness to the party whose interest is concerned."—Shirres, *An Analysis of the Ideas of Economics*, p. 240—1893, Longmans, Green, & Co., New York.

business enterprises. A few days spent in reports upon the series of industrial articles which appeared in "Scribner's Magazine" for 1897 may be profitable to many, especially if actual establishments can not be visited.

It is important to bear in mind, however, that a teacher and class may be so ambitious to visit some large and distant enterprise as to overlook and neglect the smaller and nearer ones. The country place is very small that does not afford a blacksmith shop and a carpenter shop; a stage-driver or expressman; a storekeeper; a minister, doctor, or teacher; and some poor person; to illustrate the occupations of transformer, transporter, transferrer, servant, and dependent. In a city, similarly, a greenhouse may be accessible while a farm is not; cobblers are numerous, while boot and shoe factories can not be reached. The resourceful teacher may often make much of that which is near, reserving for great and infrequent occasions the complex and distant.

The words desired as answers to questions 6, 7, and 8, respectively, of the text, are *form*, *place*, and *time* utilities. They are suggested by Clark, *The Philosophy of Wealth*—1887, Ginn & Co.

To a teacher who is disposed to teach political science and economics in close relation, an opportunity is given at this point to digress for a while until all the functions of the political units under which the pupils are living have been studied; likewise, the political units themselves as organs for the performance of social functions, and the principles on which a division of labor has been made among them, etc. In this connection, the author has found the following supplementary social study of great interest and value to students of political as well as of industrial society. Each one chooses an occupation about which he can gain exact knowledge, and imagines himself as carrying on this occupation during the whole period of the course in economics. He should strive to dramatize the occupation so successfully that he has, in thought, a definite number of persons dependent upon him for

support, and that, before the end of the course, he can write an account of himself in the first person, answering as many questions similar to the following as possible:

I. Economic Questions:

1. Natural abilities required.
2. Preparation necessary.
3. Capital necessary.
4. Length of working day.
5. Effect of occupation on the worker.
6. Pay received per month when working full time.
7. Per cent of time out of work.
8. Vacations for which he receives pay.
9. What industrial organizations do members of his occupation have, and for what purposes?
10. What does he have to fear from the progress of invention and machinery? Why?
11. What does he have to fear from the formation of monopolies and trusts? Why?
12. What kind of a home is he able to give to his family? Draw a diagram of the rooms, showing places of windows. Describe the neighborhood.
13. What kind of living does he get?
14. Other questions at will.

II. Sociological Questions:

1. Is the occupation considered by his neighbors to be honest? Why?
2. What occupations give a person higher social position than this one? Why?
3. What occupations give a lower social position? Why?
4. What social life is open to this worker and his family, and on what conditions?
5. Other questions at will.

### III. Political Questions:

1. What political regulations directly affect this occupation, and in what ways?
2. What governments, town, city, county, state, or national, make these regulations?<sup>1</sup>
3. Why are not these regulations made by other governments instead of by the ones mentioned?
4. How is the business affected by these regulations, favorably or unfavorably?
5. From the point of view of the public, why were these regulations made?
6. How may these regulations be changed?
7. Other questions at will.

This study need not interfere much with the other lessons in Part I, but should be pursued independently and encouraged enough to make sure that the students are gaining insight into some actual occupations as a basis for the general work of the class. This can be done by assigning several persons to give reports on their occupations on a certain day, followed after a few days by the reports of others. Both these class reports and the final written report may be made far more interesting by the presentation of photographs, or free-hand sketches, of the places and conditions under which the occupation is carried on and of the home and neighborhood in which the worker lives.

The attitude of the teacher toward this personal work of the student should be such as to gain for it a maximum of interest with a minimum of interference with the regular work.

## LESSON X

### CLASSIFICATION OF UTILITIES

1. An attempt at a satisfactory answer to each question of the text. Read text carefully.

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<sup>1</sup>See city and village ordinances, revised statutes of the state, etc.

2. The statement of all difficulties which members of the class have encountered.

3. Full discussion.

[NOTE.—In this connection, read Clark, if possible. Compare also Shirres; and Smart, *An Introduction to the Theory of Value on the Lines of Menger, Wieser, and Böhm-Bawerk*—1891, The Macmillan Co.]

## LESSON XI

### PRODUCERS AND NON-PRODUCERS

1. Discussion of the bearing of each question.

2. Discussion of individual difficulties.

3. A comparison of this view of production with the position of writers who call only those who create wealth producers. Which view is more satisfactory to the class?

4. Discussion of the difference between the work of those who are classed as servants and those heretofore classed as transferrers. Do they both produce actual utility? Why not class them together?

[NOTE.—The question of value is so closely connected with that of utility that some teachers think it pedagogically necessary to treat the two subjects together. Such teachers are referred to Part III, Chapter I, for suggestive exercises which may perhaps be used in this connection.]

## LESSON XII

### DEFINITIONS

1. Discussion and criticism of definitions offered.

2. Agreement upon a working definition of each term.

3. Contrast between each technical definition and the ordinary business meaning of the term.

4. If these definitions are recorded in note-books, it will be helpful later to compare them with definitions found elsewhere.

[NOTE.—If the definitions show that many in the class have failed to gain fairly clear concepts of the terms, additional exercises to clear up their difficulties can easily be devised. Consult index for references to passages which show the significance the author gives to terms. Compare also Shirres, pp. 240-244.]

### LESSON XIII

#### OWNERSHIP AND PROPERTY

1. Discussion of answers to each question.
2. Presentation and discussion of new questions by pupils and teacher.
3. General discussion of the extent to which private persons and legal persons (semi-public and public corporations) own property in your own village, town, or city.
4. Does the phrase "public ownership" always refer to the same public? Illustrate as fully as possible.
5. Discussion of possible alternatives to the present methods of ownership. For example, communism and socialism, not with a view to passing judgment upon their merits or demerits, but to make clear the kinds of ownership they propose. For this purpose the following definitions may be of use:

*Communism*: "Why not leave everything in common between the members of society just as between the members of one family? This is Communism, the simplest and the most ancient of all the systems that have been proposed."<sup>1</sup>

"*Collectivism* is a milder form of Communism. It proposes to leave undivided only the instruments of production, *i. e.*, land and capital, and divide the product according to certain rules."<sup>2</sup>

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<sup>1</sup>Gide, *Principles of Political Economy*, p. 410—1892, D. C. Heath & Co., Boston.

<sup>2</sup>Gide, p. 414.

"Collectivism has received the adherence of all present-day socialists, with the exception of the anarchists, who have remained constant to pure Communism."<sup>1</sup>

*Socialism:* "Socialists maintain that there is only one economic system at once worthy of free intelligent men and compatible with the present industrial conditions. No economic form can be satisfactory which does not terminate the divorce of the workman from land and capital. But as the inevitable tendency of industry is to assume a large and concentrated form, individual ownership of land and capital by the mass of the people is no longer a possibility. The only alternative is joint control of land and the large capital worked by associated labor. Whereas industry is at present carried on by private capitalists, served by wage labor, it must in the future be conducted by associated or co-operating workmen jointly owning the means of production."<sup>2</sup>

"Instead of the present state of things, in which every one who possesses capital freely (*privatim*) undertakes a part of the entire national production for his own private interest, and is socially influenced only by what we may call the hydrostatic counter-pressure of all the other competitors for profit, we should have in the socialistic state the instruments of all the production and distribution of wealth (that is, *capital*, the totality of instruments of production) in the completest sense the common property of the whole community, whose collective organization would on the one hand associate all the individual and separate labor forces in social labor groups (collective labor), and on the other would distribute the wealth produced by this social co-operation according to the proportion of work performed by each individual. Private business, individual enterprise, would be no more. The productive labor of all would be associated in establish-

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<sup>1</sup>Gide, p. 415.

<sup>2</sup>Kirkup, *An Inquiry Into Socialism*, p. 94—1887, Longmans, Green, & Co., New York.



ments for the purpose of production and exchange, socially managed, equipped out of collective capital, and worked by persons in receipt of salaries, not of private profits and of wages. The amount of supply necessary in each form of production would be fixed by continuous official returns, furnished by the managers and overseers of the selling and producing departments, and would form the basis of the budget of social production. The temporary deficit or overplus of the actual produce, as compared with the estimated requirement of each period, would be from time to time readjusted by means of reserve stores, which would then be public, and not private, warehouses."<sup>1</sup>

"Socialism aims at the substitution of a system of industrial production, collectively organized and, with the exception of human activities, collectively owned, for a system of production individually organized and owned."<sup>2</sup>

"Socialism would prohibit all private profit."<sup>3</sup>

"Individuals may save wealth if they like, and if they can, but the State alone may employ it as capital."<sup>4</sup>

For criticism of anarchy, communism, and socialism consult Gide, index.

For defense of socialism, and for further criticism, compare also other references cited.

## LESSON XIV

### STATUS AND CONTRACT

The general purpose of this exercise in connection with the preceding is to make the students realize something of the

<sup>1</sup>Schäffle, *The Quintessence of Socialism*, Humboldt Library of Science, No. 124, pp. 8, 9—Humboldt Publishing Co., New York.

<sup>2</sup>Gonner, *The Socialist State, Its Nature, Aims, and Conditions, being an Introduction to the Study of Socialism*, pp. 14, 15—1895, W. Scott & Co., London.

<sup>3</sup>The same, p. 17.

<sup>4</sup>The same, p. 23.

scope allowed to the individual in his contracts under private ownership of land and capital, and, consequently, something of the marvelous limitations upon individual action and existing industrial methods proposed by socialism—public ownership of land and capital. The more concrete and numerous these differences can be made to appear the more clearly will the fundamental importance of the question of the right of private property in land and capital be realized.

1. Presentation of answers to each question, and discussion of same.
2. Presentation of new questions and discussion of them.

## LESSON XV

### ECONOMIC TERMS

It may be objected that this is a grammar school exercise, and, therefore, hardly worthy the best effort of a high school pupil. It has not been found so in the author's classes, but rather one in which the students can be led to take a great deal of pride. If no visits to industrial enterprises or institutions have yet been taken, an excellent preparation for this exercise would be some such visit. In any case, each writer should be urged to inform himself thoroughly, in order to make his description as technically accurate as possible, from the point of view of business, as well as from the point of view of the use of economic terms.

1. Reading and criticism of some of the essays.
2. General discussion of criticisms made.

## LESSON XVI

### GRAPHIC STATEMENT OF INDUSTRIAL FACTS

Let the reports be handed in, and select fifteen or twenty which give a variety of occupations, and also offer a wide range of economic conditions. Each pupil may then record

the information from these selected reports upon a blank similar to the one given upon page 38 of the text.

[NOTE.—It will be found helpful to the teacher if these reports can be in his hands long enough before the recitation period so that he can select those giving the greatest variety.]

## LESSON XVII

### STATEMENTS AND QUESTIONS

The work that is done in connection with this diagram may be of great service in arousing interest, not only in economic facts, but also in sociological facts. A conception of a knowledge of political economy as an important means towards truly social living, rather than as an end in itself, seems to justify the introduction of some such questions. Indeed, the future welfare of society demands that many such questions be frequently in the minds of intelligent and well-to-do men and women. If some exercises must be omitted for any reason, it is urged that this be not one of them.

1. Criticize the various statements and questions handed in. A question may carry with it an assumption that is as unwarranted as a statement. The exercise offers an excellent opportunity for training in scientific statements based upon facts.

2. Make lists of the different accepted statements and questions for preservation in note-books.

[NOTE.—These lists of questions may be added to from time to time, if desired. The suggestion at the end of Part III is that they may be reread and answered, so far as possible, as a fitting exercise for the close of this elementary course in economics and for the beginning of further study.]

## LESSON XVIII

### ILLUSTRATION AND COMPARISON OF PRICES

1. Discussion of answers to the questions.
2. Additional questions and discussions.

[NOTE.—Some members of the class may be willing to watch the prices of wheat, corn, steel, stocks of some railway, etc., from day to day throughout the time required for the rest of the course, and make charts on paper similar to that used for the chart in the front of this pamphlet, which will show, by broken lines, the variations in prices of some commodities, with notes which explain the reasons for such changes.

Some classes may prefer to take up at this point other studies similar to those outlined in the preceding lessons. Suitable topics for this purpose are, money, banks, telegraph lines, boards of trade, stock exchanges, the use of checks, drafts, and bills of exchange in buying and selling goods, etc. There is hardly any limit to the amount of such work that may be done in a busy town. The essential thing is to do enough of it to connect the whole subject of economics with the actual life that is within the experience of the students.]

## LESSON XIX

### STATISTICS OF PERSONAL CONSUMPTION

It is possible to assign all the questions under 1 for individual preparation, and to work out in class the answers to the questions under 2. This exercise has often been found to bristle with questions indicating a genuine interest in industrial and social problems. As suggested in the text at this point, the statistics given can be made of much greater value if put in the form of charts. There is no reason why the walls of the room in which the economics recitation is held should not gradually acquire economic charts and diagrams as interesting in their way as those of the drawing department.

## PART II

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The narrative of Part II is intended to be consecutive, and the answers to the questions given at the beginning and end of each chapter are not intended solely to determine the student's knowledge of the text. However, it has been found that a discussion of these questions adds much to the interest and definiteness of knowledge of the student, and, likewise, serves to keep this part of the subject continually related to the facts of his experience and general knowledge. It is, therefore, urged that they be not neglected, especially as a consideration of them makes it possible for the student to read the text itself so rapidly that little if any time is lost by the apparent delay.

It should also be pointed out that here, as in Part I, there is an excellent opportunity to keep the study of industrial society in close correlation with that of political society. The evolution of the various forms of local government in England and the United States, and the development of constitutional government in both countries, have been so closely connected with the industrial life of the English manor, borough, and nation, that the degree of correlation between this sketch of industrial history and the social and political history of England and the United States is limited only by the time and facilities and inclination of each particular instructor.

[NOTE.—For an important article which aims to prove that English legislation in fact, though not in purpose, had very little effect in retarding the early industrial development of the American colonies, see Ashley, *The Commercial Legislation of England and American Colonies, 1660-1760*, in "The Quarterly Journal of Economics" for November, 1899.]

## PART III

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In a course of eighty recitation periods for economics in general, the text contemplates a division of the time into three nearly equal portions, one for each Part. The author's reasons for believing that a course similar to the one he has outlined results in more good to the student than one devoted wholly to the discussion of economic theory have been given in his pamphlet on *Methods of Teaching Economics in Secondary Schools*. If the needs of a certain class of students, or the economic opinions of any teacher, make desirable the treatment of certain topics at greater length, or from a different point of view, than has been possible in the text, the spirit of the book demands that supplementary exercises for these purposes be devised by the teacher himself.

As stated in the Preface, it is believed that, in general, sufficient suggestions and references for this purpose have been given in the text itself.



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